



**2003**

**Montana Individual Income  
Tax forms and Schedules  
Without Sequence Numbers  
Final Version 10/2003.**

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or Fiscal year beginning \_\_\_\_\_, 2003 and ending \_\_\_\_\_, 2004.

Last Name		First Name and Middle Initial		<input type="checkbox"/> Deceased <input type="checkbox"/>	Social Security No.	
Spouse's Last Name if Different		Spouse's First Name and Middle Initial			Spouse's Social Security No.	
Mailing Address				City	State	Zip Code+4

Filing Status Check One	1. <input type="checkbox"/> Single	2. <input type="checkbox"/> Married filing joint return	3. <input type="checkbox"/> Married and both filing separate returns on this form	4. <input type="checkbox"/> Married and both filing separate returns on separate forms	5. <input type="checkbox"/> Married filing separate return and spouse is not filing	6. <input type="checkbox"/> Head of Household (see instructions)
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Residency Check One	1. <input type="checkbox"/> Resident Full Year	2. <input type="checkbox"/> Nonresident Full Year	3. <input type="checkbox"/> Resident Part Year	Give date of change month      year	State moved to:	State moved from:
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**Exemptions**

Regular	65 or Over	Blind	
1. Yourself ..... <input checked="" type="checkbox"/>	..... <input type="checkbox"/>	..... <input type="checkbox"/>	..... Enter number checked
2. Spouse ..... <input type="checkbox"/>	..... <input type="checkbox"/>	..... <input type="checkbox"/>	..... Enter number checked

Dependent's Full Name	Dependent's Social Security Number	Relationship

3. Dependents ..... ☐  
 4. Handicapped Dependent ..... ☐  
 5. Add lines 1, 2, 3 and 4 (if additional dependents, see instructions) .....

Total Exemptions ..... ☐ 5.

## INCOME REPORTED FROM FEDERAL RETURN

**Enter amounts reported on federal return**

6. Wages, salaries, tips, etc. .... Attach copies of W-2(s) from all states
7. Taxable interest income .... Attach Federal Schedule if over \$1,500
8. Dividend income .... Attach Federal Schedule if over \$1,500
9. Net business income (loss) .... Attach Federal Schedule C or C-EZ
10. Capital gain (or loss) .... Attach Federal Schedule D
11. Supplemental gains (or losses) .... Attach Federal Form 4797
12. Rents, royalties, partnerships, estates, trusts, etc.  
Attach Federal Schedule E and Form 8582 and all K-1's .....
13. Total IRA distributions a.  13b. Taxable amount } Attach all
14. Total pensions and annuities a.  14b. Taxable amount } 1099R's
15. Social security benefits a.  15b. Taxable amount
16. Net farm income (Loss) .... Attach Federal Schedule F
17. Other income: State refund ..... alimony .....  
unemployment ..... other (specify) .....
18. Total of lines 6 thru 17 ..... **Total** ⇒
19. Adjustments to income. Educator expenses ..... IRA deduction .....
- Student loan interest ..... Tuition and fees ..... 1/2 SE Tax .....
- Moving Expenses (Attach Form 3903) ..... SE Health ..... SE SEP, SIMPLE .....
- Penalty on early withdrawal of savings ..... Alimony paid ..... Other .....
20. Federal adjusted gross income (subtract line 19 from line 18) ..... ⇒

**Note: Line 20 must match your federal adjusted gross income**Round to nearest dollar  
if no entry leave blank

6.		6.
7.		7.
8.		8.
9.		9.
10.		10.
11.		11.
12.		12.
13b.		13b.
14b.		14b.
15b.		15b.
16.		16.
17.		17.
18.		18.
19.		19.
20.		20.

## ATTACH WITHHOLDING STATEMENTS HERE

## ADDITIONS

21. Interest and dividends on state, county, or municipal bonds (Non-Montana) ..... 21.
22. Federal income tax refunds/overpayment (see page 3, line 22 on instructions) ..... 22.
23. Other additions, (see page 3, line 23 of instructions)  
Specify ..... 23.
24. Total additions to income (add lines 21 thru 23) ..... **Total** ⇒ 24.
25. Add lines 20 and 24, enter result ..... ⇒ 25.

## REDUCTIONS

26. Farm Risk Management Account ..... Attach Form FRM 26.
27. Interest exclusion for elderly ..... 27.
28. Interest exclusion for savings bonds, etc. Specify ..... 28.
29. Exempt pension & annuity income, (not soc. sec./disability) Attach Worksheet IV, Page 13 29.
30. Unemployment ..... 30.
31. Medical Care Savings Account ..... Attach Form MSA 31.
32. Family Education Savings Account (Attach name and social security number(s) of beneficiary) 32.
33. First Time Home Buyers Account ..... Attach Form FTB 33.
34. Health care professional loan payment exclusion ..... 34.
35. Other reductions (see page 5, line 35 of instructions).  
Specify ..... 35.
36. Total reductions to income (add lines 26 thru 35) ..... **Total** ⇒ 36.
37. Subtract line 36 from line 25. Enter here and on line 38, page 2 ..... 37.

Column A (for single  
joint, separate, or head  
of household)Column B (for spouse  
only when filing  
separate, and box 3 is  
checked)

DEDUCTIONS

38. Montana adjusted gross income (From line 37) .....

38.

38.

**Deductions Check only one**39. (A) Standard deduction: ☐ (A) }  
(B) Itemized deductions: ☐ (B) }

39.

39.

40. Subtract line 39 from 38 and enter balance..... ⇒ 40.

40.

40.

**Exemptions** (All filers are entitled to at least one exemption)

41. Multiply \$1,780 times the number of exemptions on line 5 .....

41.

41.

42. Taxable income. Subtract line 41 from line 40 ..... ⇒ 42.

42.

42.

EXEMPTIONS

**Nonresidents and Part-Year Residents complete and attach Schedules III and IV Form 2A, before proceeding**

43. Tax from table below. Non/part year residents enter the amount from line 131, Form 2A, Schedule IV. If line 42 is less than zero, enter zero here.

43.

43.

44. Tax on lump sum distributions (see instructions for this line). Attach Federal Form 4972

44.

44.

45. Subtotal—Add lines 43 and 44.....Subtotal ⇒ 45.

45.

45.

46. Credits from Form 2A, line 113, Schedule II .....

46.

46.

47. Balance—Subtract line 46 from 45 and enter difference (but not less than zero). ⇒ 47.

47.

47.

48. Recapture investment credit ..... Attach Form RIC.

48.

48.

49. Recapture tax and withdrawal penalties (specify) .....

49.

49.

50. For each of the programs below enter any amount you and your spouse want to contribute.  
Enter totals in boxes (see instructions for details).Nongame Wildlife  
Program  
51. MONTANA  
CHILDREN'S  
CHIEF OF JUSTICE  
CHILD ABUSE  
Prevention  
52. Agriculture in  
Schools  
53.  Enter total amount  
in boxes.....

50.

50.

54. Total Tax —Add lines 47, 48, 49 and 50.....Total ⇒ 54.

54.

54.

55. Combine amounts shown on line 54 columns A and B..... ⇒ 55.

55.

55.

TAX COMPUTATION

PAYMENTS  
AND CREDITS

56. Montana tax withheld.....Attach withholding statements

56.

56.

57. Payments of 2003 estimated tax and amounts credited from previous year .....

57.

57.

58. Payment made with extension .....

58.

58.

59. Elderly Homeowner/ Renter Credit ..... Attach Form 2EC

59.

59.

60. Total of lines 56 thru 59.....Total

60.

60.

61. Combine amounts shown on line 60 columns A and B ..... ⇒ 61.

61.

61.

REFUND  
OR AMOUNT  
YOU OWE

62. If line 61 is larger than line 55 enter the difference. This is your overpayment.....

62.

62.

63. Amount on line 62 to be applied to 2004 estimate 63. 

63.

63.

64. Enter the amount from line 62 you want refunded to you (refunds more than \$1.00 will be issued)

Refund.....

64.

64.

Refund Returns: Mail to Dept. of Revenue, PO Box 6577, Helena, MT 59604-6577

If you wish to use direct deposit enter your RTN# and ACCT# below. See instructions on page 6

RTN#  ACCT# Checking ☐Savings ☐

65. If line 55 is larger than line 61 enter tax due (If you owe see instructions for this line)

Tax Due

65.

65.

Send your check or money order with payment coupon to: Dept. of Revenue, PO Box 6308, Helena, MT 59604-6308.  
If you choose to pay your tax due by credit card visit our website at [www.discoveringmontana.com/revenue](http://www.discoveringmontana.com/revenue) and enter your confirmation number here. See instructions on page 6.• Check this box if at least 2/3 of your gross income is from farming.  
(attach breakdown of computations) ☐• Check here if estimated payments were made using the  
annualization method. (Attach Montana Form EST-P) ☐• Check here if you do not need state income tax forms and instructions  
mailed to you next year. Tax forms are also available on the internet. ☐**Underpayment penalty**

See Worksheet VII, Schedule W... 66.

Late filing penalty-See page 2..... 67.

Late payment penalty-See page 2. 68.

Interest 1% (.01) per month..... 69.

Total of lines 65 through 69..... 70.

☐ Extension - Check this box and attach copies of federal  
extension(s) to receive a valid Montana extension.  
See Page 2 of instructions for details.

Questions? Please call (406) 444-6900 or TDD (406) 444-2830 for hearing impaired. ☎

PLEASE  
SIGN HERE

Name, address and telephone number of preparer

May the DOR discuss this return with the preparer shown above? yes ☐ no ☐

X

X

Your signature is required

Date

Daytime telephone number

Spouse signature

Date

I declare under penalty of false swearing that the information in this return and attachments is true, correct and complete.

**If you electronically file, keep this form for your records (do not send to the Department of Revenue).****Tax Table****If Taxable Income is:**

Over	But not over	Multiply by	and Subtract = Tax
\$ 0	\$ 2,200	X ... 2 %	\$ 0
\$ 2,200	\$ 4,400	X ... 3 %	\$ 22
\$ 4,400	\$ 8,900	X ... 4 %	\$ 66
\$ 8,900	\$ 13,300	X ... 5 %	\$ 155
\$ 13,300	\$ 17,800	X ... 6 %	\$ 288

**If Taxable Income is:**

Over	But not over	Multiply by	and Subtract = Tax
\$ 17,800	\$ 22,200	X ... 7 %	\$ 466
\$ 22,200	\$ 31,100	X ... 8 %	\$ 688
\$ 31,100	\$ 44,500	X ... 9 %	\$ 999
\$ 44,500	\$ 77,800	X ... 10 %	\$ 1,444
\$ 77,800		X ... 11 %	\$ 2,222

**Example = taxable income \$2,400 x 3% (.03) = \$72 subtract \$22 = \$50 tax**

Page 1 2003

## Form 2A

MONTANA

Last Name and Initial

Social Security Number

## Schedule I — Itemized Deductions

Column A (For  
single, joint,  
separate or head  
of household)Column B (For  
spouse only when  
filing separate, and  
box 3 is checked)

71. Medical insurance premiums not deducted on lines 19, 35 or 75..... 71.  
Do not include pre-tax payroll deductions or employer paid premiums.

Column A Column B

72. Medical expenses. See instructions..... 72. 

--	--
73. Enter 7.5% (.075) of line 38, Form 2..... 73. 

--	--
74. Subtract line 73 from line 72. If less than zero, enter zero.  
Deductible medical and dental expenses..... 74.
75. Long term care insurance..... 75.

Round to nearest dollar

Federal Income Tax (Amounts attributable  
to self employment tax are not deductible).

- 76a. 2003 federal tax withheld from wages, pensions  
and annuities. Attach W-2's and 1099's..... 76a. 

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- b. Federal estimated tax payments made in 2003.  
Attach copies of pages 1 and 2 of federal  
tax return (Form 1040 or 1040A)..... 76b. 

--	--
77. Balance of 2002 tax paid in 2003..... 77. 

--	--
78. Additional federal tax for year(s) paid in 2003 78. 

--	--
79. **NEW** Less 2003 federal advance child credit.... 79. 

--	--

80. Total 2003 federal tax deduction - add lines 76a, 76b, 77, and 78,  
then subtract line 79. Cannot be less than zero..... 80.
81. Real estate personal property taxes..... 81.
82. Motor vehicle(s) taxes, other deductible taxes..... 82.
83. Home mortgage interest..... Deductible points.....  
If paid to the person from whom you bought the home, please provide  
person's name, address and social security #.....

84. Deductible investment interest .....Attach Federal Form 4952 84.
85. Contributions ..... 85.
86. Child and dependent care expense ...Attach Montana Form 2441M 86.
87. Casualty and theft losses.....Attach Federal Form 4684 87.

88. Unreimbursed employee business expense  
Attach Federal Form 2106..... 88. 

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89. Other expenses (list type and amount)..... 89. 

--	--
90. Add lines 88 and 89..... 90. 

--	--
91. Enter 2% (.02) of line 38 Form 2..... 91. 

--	--

92. Subtract line 91 from 90. If less than zero,  
enter zero..... 92.
93. Misc. deduction not subject to 2% A.G.I. (list type and amount)..... 93.

94. Gambling losses (as allowed by federal law)..... 94.
- 95a. Add lines 71, 74, 75, 80-87, 92-94. Enter result here..... **Total** 95a.

If the amount on Form 2, line 38 is more than \$139,500  
(more than \$69,750 if you are married filing separately)  
continue to line 95b, otherwise transfer the amount on  
line 95a to line 39 of Form 2.

- 95b. Enter the amount from line 9 of the Itemized Deduction  
Worksheet VI on page 14. This is the amount of your unallowable  
itemized deductions..... 95b.

96. Subtract line 95b from line 95a. This is the amount of your  
allowable itemized deductions. Enter here and on  
line 39 of Form 2..... **Total** 96.

Medical & Dental  
ExpensesTaxes You  
PaidInterest You  
Paid


Other

Miscellaneous  
DeductionsTotal  
Deductions

Attach this form to your tax return. If you electronically file, keep this form  
for your records (do not send to the Department of Revenue).

**Schedule II - Credits Against Tax**

(See instructions on pages 8 and 9)

	Column A (For single, joint, separate or head of household)	Column B (For spouse only when filing separate, and box 3 is checked)	
97. Rural physician's credit .....			97.
98. College contribution credit .....	Attach Form CC		98.
99. Qualified endowment credit .....	Attach Form QEC		99.
100. Elderly care credit .....	Attach Form ECC		100.
<b>NEW</b> 101. Credit allowed residents/part-year residents for income tax liability paid to other states or countries - Attach Schedule V or Schedule VII .....			101.
102. Contractors gross receipts tax credit .....	Attach list of credits		102.
103. Alternative energy systems credit .....	Attach Form ENRG-B		103.
104. Energy conservation installations credit .....	Attach Form ENRG-C		104.
105. Alternative energy production credit .....	Attach Form AEPC		105.
106. Recycle credit .....	Attach Form RCYL		106.
107. Dependent care assistance credit .....	Attach Form DCAC		107.
108. Disability insurance for uninsured Montanans .....	Attach Form HI		108.
109. Historical property preservation credit .....	Attach Federal Form 3468		109.
<b>NEW</b> 110. Developmental disability account contribution credit .....			110.
<b>NEW</b> 111. Empowerment zone credit .....			111.
 112. Other credits (see instructions) .....			112.
113. <b>Total Credits</b> - Enter here and on Form, line 46.....			113.

**Schedule III - Nonresident/Part Year Resident Allocation of Income Reportable to Montana**

(See instructions pages 9 and 10)

**You Must Attach a Copy of Your Federal Return**

	Column A (For single, joint, separate or head of household)	Column B (For spouse only when filing separate, and box 3 is checked)	
114. Wages, salaries, tips, etc .....			114.
115. Interest income .....			115.
116. Dividend income .....			116.
117. Net business income .....			117.
118. Capital gain (or loss) .....			118.
119. Supplemental gain (or loss) .....			119.
120. Rents, royalties, partnerships, estates and trusts .....			120.
121. Taxable pensions, annuities, IRA's .....			121.
122. Taxable portion of social security .....			122.
123. Net farm income (or loss) .....			123.
124. Other income/loss (federal refund, etc.) .....			124.
125. Montana total income (add lines 114 through 124) .....			125.

**Schedule IV - Nonresident / Part Year Resident Prorated Tax Computation**

	Column A (For single, joint, separate or head of household)	Column B (For spouse only when filing separate, and box 3 is checked)	
126. Montana total income from line 125 above .....			126.
127. Enter federal income from line 18, plus amount of line 24, Form 2 .....			127.
128. Divide amount on line 126 by amount on line 127 (Carry to 4 decimal places—Do not enter more than 1.0000) .....			128.
129. Taxable income from line 42, Form 2 .....			129.
130. Calculate tax on amount on line 129 using tax table on Form 2, page 2 ...			130.
131. Part year resident and nonresident tax—multiply amount on line 130 by amount on line 128 and enter result here and on line 43, Form 2. This is the amount of your prorated tax .....			131.

**Attach this form to your tax return. If you electronically file, keep this form  
for your records (do not send to the Department of Revenue).**

# Individual Income Tax—2003

## Credit for Taxes Paid to Another State or Country

MONTANA  
2A-Page 3  
Rev. 10-03

Last Name and Initial	Social Security Number
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**NEW**

**Instructions.** You may claim a credit for income taxes paid to another state or country by yourself, an S. corporation or a partnership. If you claim this credit for taxes paid to another state or country by an S. corporation or a partnership, you must add back to income on Form 2, line 23 your share of the entity's deduction for income tax paid, whether separately or non-separately stated on your Federal K-1.

**Please note:**

- This credit is limited to income taxes paid on income that is also taxed by Montana.
- Income taxes include excise taxes or franchise taxes that are imposed on and measured by the net income for an S. corporation or partnership.
- This credit is nonrefundable and can not reduce your Montana tax liability below zero.
- Unused credits can not be carried over.
- Separate computations must be made for each state or country.
- A part-year resident must allocate income using Form 2A, page 2, Schedule III when calculating this credit.

**Schedule V - Full year Resident-Credit Allowed for Income Taxes Paid to Another State or Country.**

**Attach Copy of Out-of-State Return**

	Column A (For joint, separate or single)	Column B (For spouse when filing separate, and box 3 is checked)
1. Income from other state or country included in Montana adjusted gross income. This includes where applicable, the share of income taxes paid which are claimed as a deduction by an S. corporation or a partnership. ....		
2. Total income from other state or country used in calculating the income tax paid to the other state or country. Include income exempt from Montana income tax. ....		
3. Total Montana adjusted gross income from Form 2. This includes where applicable, the share of income taxes paid which are claimed as a deduction by an S. corporation or a partnership. ....		
4. Total income tax paid to other state or country .....		
5. Montana tax liability from Form 2, line 42 .....		
6. Line 1 divided by line 2, but not greater than 100% .....	%	%
7. Line 4 multiplied by line 6 .....		
8. Line 1 divided by line 3, but not greater than 100%. ....	%	%
9. Line 5 multiplied by line 8. ....		
10. The allowable credit is the lower of lines 4, 7, or 9. Enter here and on Form 2A, Schedule II .....		

**Schedule VI — Part/year Residents-Credit Allowed For Income Taxes Paid To Another State or Country**

**Attach Copy of Out-of-State Return**

	Column A (For joint, separate or single)	Column B (For spouse when filing separate, and box 3 is checked)
1. Income from other state or country included in Montana adjusted gross income and reported on Form 2A, Schedule III, line 125. This includes where applicable, the share of income taxes paid which are claimed as a deduction by an S. corporation or a partnership .....		
2. Total income from other state or country used in calculating the income tax paid to the other state or country. Include income exempt from Montana income tax .....		
3. Total Montana income from Form 2A, Schedule III, line 125. This includes where applicable, the share of income taxes paid which are claimed as a deduction by an S. corporation or a partnership .....		
4. Total income tax paid to other state or country .....		
5. Montana tax liability from Form 2, line 42 .....		
6. Line 1 divided by line 2, but not greater than 100% .....	%	%
7. Line 4 multiplied by line 6 .....		
8. Line 1 divided by line 3, but not greater than 100% .....	%	%
9. Line 5 multiplied by line 8 .....		
10. The allowable credit is the lower of lines 4, 7, or 9. Enter here and on Form 2A, Schedule II .....		

**Attach this form to your tax return. If you electronically file, keep this form for your records (do not send to the Department of Revenue).**



# Full Year Resident - Short Form 2S - Individual Income Tax Return

**MONTANA**  
**2003**  
**Full Year Resident ONLY**  
**Filing from a Montana Address**

Last Name		First Name and Middle Initial		<input type="checkbox"/> Deceased	Social Security No.
Spouse's Last Name if Different		Spouse's First Name and Middle Initial		<input type="checkbox"/> Deceased	Spouse's Social Security No.
Mailing Address (Montana Addresses Only)				City	Zip Code + 4
				<b>MT 59</b>	

Filing Status Check One	1. Single <input type="checkbox"/>	2. Married Filing Joint Return <input type="checkbox"/>	3. Head of Household (see Instructions) <input type="checkbox"/>
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**File on or Before  
April 15, 2004**

All other returns and refunds mail to:  
 Dept. of Revenue  
 PO Box 6577  
 Helena, MT 59604-6577

For tax due mail to:  
 Dept. of Revenue  
 PO Box 6308  
 Helena, MT 59604-6308

**Round To nearest dollar.  
If no entry leave blank**

## Exemptions

Regular 65 or Over Blind All filers are entitled to at least one exemption

1. Yourself	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Enter number checked	<input type="checkbox"/>	1.												
2. Spouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Enter number checked	<input type="checkbox"/>	2.												
3. Dependents	<table border="1"> <thead> <tr> <th>Dependent's Name</th> <th>Dependent's Social Security Number</th> <th>Relationship</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>			Dependent's Name	Dependent's Social Security Number	Relationship										3. Dependents	<input type="checkbox"/>	3.
Dependent's Name	Dependent's Social Security Number	Relationship																
Do not claim yourself or spouse				4. Handicapped Dependent	<input type="checkbox"/>	4.												
5. Add lines 1, 2, 3 and 4 (if additional dependents, see instructions)				Total Number Exemptions	<input type="checkbox"/>	5.												

**REPORT YOUR INCOME**



6. Wages, salaries, tips, etc.	Attach W-2(s)	6.
7. Taxable interest income	Attach Federal Schedule if over \$1,500	7.
8. Dividend income	Attach Federal Schedule if over \$1,500	8.
9. Federal taxable pensions, IRA distributions, annuities	Attach 1099R's	9.
10. Unemployment, alimony, state refund, etc. specify		10.
11. Total of lines 6 thru 10	Total	11.
12. Adjustments: moving expense, IRA, alimony, student loan interest, etc., specify		12.
13. Federal adjusted gross income (subtract line 12 from line 11)	Total	13.
14. Add: Interest on state and county municipal bonds (non-Montana) and/or federal refund (see instructions)		14.

## Subtract:

15. Exempt pension and annuity income - see Worksheet IV, page 13	15.
16. Interest exclusion for elderly	16.
17. Interest exclusion for savings bonds, etc. specify	17.
18. Unemployment	18.
19. Other reductions (including tips, etc.) Refer to page 5 of instructions	19.
20. Total adjustments decreasing income (add lines 15 thru 19)	Total 20.
21. Montana adjusted gross income (add lines 13 and 14, subtract line 20)	Total 21.

22. a. Standard deduction - see Worksheet V, page 13. a. <input type="checkbox"/>	22a.	b(i) - b(ii) = 22b.
b(i) Federal income taxes paid or withheld in 2003. b. <input type="checkbox"/>	22b.	
NEW b(ii) 2003 Federal Advance Child Credit b(ii) <input type="checkbox"/>	23.	
23. Multiply \$1,780 times the number of exemptions		
24. Add lines 22 and 23	Total 24.	
25. Taxable income. Subtract line 24 from 21 (If less than zero enter zero)	Total 25.	
26. Tax on amount on line 25 from tax table on back of this form	26.	
27. In boxes below, enter any amount you and your spouse would like to contribute. See instructions.		

Nongame Wildlife Program



Child Abuse Prevention

culture in MT Schools

28.

29.

30.

Enter amounts in boxes.....Total 27.

31. Total tax - add lines 26 and 27	Total 31.
32. Montana tax withheld.....Attach withholding statements W-2(s), 1099(s) etc. 32.	
33. Elderly Homeowner/Renter Credit.....Attach Form 2EC 33.	
34. Add lines 32 and 33	Total 34.

35. If line 34 is larger than line 31 enter difference (refunds of more than \$1.00 will be issued).....Refund 35.

If you wish to use direct deposit enter your RTN# and ACCT# below. See instructions Direct Deposit

RTN#  ACCT#  Checking ☐ Savings ☐

36. If line 31 is larger than line 34 enter difference.....Tax Due 36.

If you chose to pay your tax due by credit card visit our website at [www.discoveringmontana.com/revenue](http://www.discoveringmontana.com/revenue) and enter your confirmation number here. See instructions on page 11.

37. Penalties (see instructions for calculation of penalties)

Under Pay  Late File  Late Pay  Interest  Total of Boxes 37.

38. Add lines 36 and 37. Attach check or money order for full amount if \$1.00 or more.

Payable to the Department of Revenue.....Total Due 38.

Include your payment with the payment coupon provided in this booklet.

Name, address and telephone number of preparer

May the DOR discuss this return with the preparer shown?

Yes ☐ No ☐

Check box if you do not need state income tax forms and instructions mailed to you next year. ☐

ATTACH WITHHOLDING STATEMENTS



**SIGN YOUR RETURN**

Your signature is required

Date

Telephone number

Spouse signature (if filing jointly, both must sign)

Date

I declare under penalty of false swearing that the information in this return and attachments is true, correct and complete.

# 2003 Elderly Homeowner/Renter Credit

File on or before April 15, 2004, or with your Form 2 or 2S

**MONTANA**  
2EC  
Rev. 8-03

Please follow instructions on the back when completing this form

**Return will not be processed without a copy of your 2003 property tax bill or signed rent receipt(s)**  
**Please attach tax bill or rent receipts to this form**

## Part I

Last Name	Your First Name & Middle Initial	<input type="checkbox"/>	Social Security No.
Spouse's Last Name if Different	Spouse's First Name & Middle Initial	<input type="checkbox"/>	Spouse's Social Security No.
Mailing Address	City	State	Zip Code+4

If you are filing this form on behalf of a deceased taxpayer, provide the date of death. \_\_\_\_\_

**Part II** - If the answer to any of the questions below is no, you are not eligible for the credit. Do not complete this schedule.

➤ Were you age 62 or older as of December 31, 2003? <input type="checkbox"/> Yes <input type="checkbox"/> No ➤ Did you reside in this state for 9 months or more during 2003? <input type="checkbox"/> Yes <input type="checkbox"/> No	➤ Did you occupy Montana residence(s) as an owner or renter a total of 6 months or more during 2003? <input type="checkbox"/> Yes <input type="checkbox"/> No ➤ Was your total gross household income <u>less</u> than \$45,000 in 2003? <input type="checkbox"/> Yes <input type="checkbox"/> No
---	--

**Part III** - List taxable and nontaxable income received from all members of the household.

1. Enter total income received from wages, fees, bonuses, all capital gains, ordinary income, dividends and interest. Do not include any losses .....	1. _____
2. Enter total income from business, partnerships, rents, royalties, etc. Do not include any losses .....	2. _____
3. Enter any payments and interest on federal, state, county and municipal bonds .....	3. _____
4. Enter alimony, public assistance, unemployment, tax refunds, state, federal and 2EC (etc.) .....	4. _____
5. Enter all pensions, annuities, and IRA's including Railroad Retirement, PERS, Veteran's Disability, all social security income except social security paid directly to a nursing home .....	5. _____
6. Total income - add lines 1 through 5. If greater than \$45,000, stop here you do not qualify ..... <b>Total</b>	6. _____
7. Standard exclusion.....	7. (6,300)
8. Total household income - subtract line 7 from line 6 (if less than zero, enter zero) ..... <b>Total</b>	8. _____

**Part IV** - Homeowners complete line 9; Renters complete line 10 and line 11

9. Enter all 2003 property taxes, fees, special assessments, and SIDs <u>billed</u> on residence and land not to exceed 1 acre. See instructions. ....	9. _____
10. Enter rent paid on residence in 2003 (attach signed rent receipts).....	10. _____
11. Rent equivalent - multiply line 10 by 15% (.15) .....	11. _____
12. Total of allowable property tax and/or allowable rents paid (line 9 for homeowners; line 11 for renters) .....	12. _____
13. Total household income from line 8 .....	13. _____
14. Enter multiplier figure from table on reverse side .....	14. _____
15. Net allowable household income - multiply line 13 by line 14 .....	15. _____
16. Subtract line 15 from line 12. If zero or less, you cannot take the credit; do not file this form.....	16. _____
17. First, enter the amount from line 16 or \$1,000, whichever is smaller (the maximum credit is \$1,000).....	17. _____
➤ Then, if line 6 is \$35,000 or less, enter the amount from line 17 on line 19 (skip line 18). ➤ If line 6 is more than \$35,000, complete lines 18 and 19 below.	
18. Enter the percentage amount from the table below that corresponds to the amount reported on line 6.....	18. _____

The amount on line 6 is between:	Your allowable credit percentage is:	The amount on line 6 is between:	Your allowable credit percentage is:
\$35,000 - \$37,500	40% (.40)	\$42,501 - \$44,999	10% (.10)
\$37,501 - \$40,000	30% (.30)	\$45,000 - or more	0%
\$40,001 - \$42,500	20% (.20)		

19. Multiply the amount on line 17 by the percentage from line 18. This is your allowable Homeowner/Renter Credit..... 19. \_\_\_\_\_

➤ If you file a Montana income tax return using Form 2 (long form), enter the amount from line 19 on line 59 of Form 2.  
 ➤ If you file a Montana income tax return using Form 2S (short form), enter the amount from line 19 on line 33 of Form 2S.  
 ➤ If you are not required to file either Form 2 or Form 2S, mail this form to: Montana Department of Revenue, PO Box 6577, Helena MT 59604-6577.  
 If you wish to use direct deposit enter your RTN# and ACCT# below. See instructions on back of this form.

**NEW**

RTN# \_\_\_\_\_ ACCT# \_\_\_\_\_

Checking ☐  
Savings ☐ Direct Deposit

I declare under penalty of false swearing that the information in this return and attachment is true, correct and complete.

Your Signature is Required \_\_\_\_\_ Date \_\_\_\_\_ Telephone Number \_\_\_\_\_ Spouse's Signature \_\_\_\_\_ Date \_\_\_\_\_ 103

**Attach this form to your tax return. If you electronically file, keep this form for your records (do not send to the Department of Revenue).**



# Elderly Homeowner/Renter Credit

## Instructions (primary residence only)

The elderly homeowner or renter credit is for your use if you're 62 years old or older. A credit for your property taxes assessed or rent paid may be used against your state income tax liability or as a direct refund even if you're not required to file a Montana income tax return.

Please read the instructions and complete the form to see if you qualify for the credit.

Additional help is available by calling (406) 444-6900 or TDD (406) 444-2830 for hearing impaired. ☎

**Part II** - Answer all questions. If the answer to any question is "No", you are not eligible for the credit.

**Part III - Lines 1-5.** Household Income. On lines 1 through 5 enter income from all sources received by you and any other persons with whom you share a household. Include taxable and nontaxable income. Do not include any losses on lines 1 through 5. If income exceeds \$45,000, do not go any further. You are not entitled to the refund.

Income for purposes of the refund means federal adjusted gross income, without regards to loss, plus all nontaxable income including but not limited to:

- Amount of any pension or annuity, including railroad retirement and veteran's disability benefits
- Amount of capital gains excluded from adjusted gross income
- Alimony and support money
- Nontaxable strike benefits
- Cash public assistance and relief
- Payments and interest on federal, state, county and municipal bonds
- All payments received under federal social security except social security paid to a nursing home.
- For above items (a-g), income is reduced by taxpayer's basis.

**Line 6** - Enter total income.

**Line 7** - Standard exclusion.

**Line 8** - Subtract the amount on line 7 from line 6 and enter balance. (If less than zero enter zero)

Trusts: 2003 property taxes billed on a residence held in a revocable trust which are paid by an eligible claimant are allowable. The eligible claimant and their spouse must be the only trustees of the revocable trust.

If the property occupied by an eligible claimant is in a name other than the claimant, the property taxes billed are allowable only as rent. This includes irrevocable or family trusts.

Qualifying individuals who place a residence in a life estate and who pay the property tax may claim the taxes when calculating this credit.

Mail this form to: Montana Department of Revenue, PO Box 6577, Helena MT 59604-6577.

Household Income Reduction Table		
If your Household income on line 8 is:		
At least this amount	But not more than	Your multiplier for line 14 is:
\$ 0	1,999	0
2,000	2,999	.006
3,000	3,999	.016
4,000	4,999	.024
5,000	5,999	.028
6,000	6,999	.032
7,000	7,999	.035
8,000	8,999	.039
9,000	9,999	.042
10,000	10,999	.045
11,000	11,999	.048
12,000 and over		.050

## Part IV-Homeowners

**Line 9** - Include a copy of your property tax bill or a letter from your county treasurer showing the total property taxes billed and assessed for 2003 on your primary residence.

The property taxes allowed on line 9 of the 2003 2EC are the total taxes billed on your November 2003 property tax statement on your residence and surrounding land (not to exceed one acre). This amount includes all special assessments and fees. The 2003 2EC is based on 2003 property taxes billed, not the property taxes actually paid.

Land surrounding the eligible residence for the Elderly Homeowner/Renter Credit is the one acre homesite associated with the primary residence.

If the one acre homesite is not separately identified on the tax bill from other land, and the ownership is less than 20 acres, the allowable deduction shall be calculated as follows: total amount of property tax billed on the land, divided by the total acreage to equal the allowable amount of property tax used in the credit calculation.

If the land is classified as forest land, agricultural land or non-qualifying agricultural land and the one acre homesite is not separately identified on the tax bill, you must contact your local county assessor's office for the computation.

Skip lines 10 and 11 and enter your allowable tax from line 9 on line 12.

## Part IV-Renters

Signed rent receipts must be attached.

Renters of county or municipal housing authority dwellings are eligible to apply.

When a taxpayer lives in a health care, long-term care, personal care or residential care facility, the rent allowed is the actual out of pocket rent paid. If an adequate breakdown between rent and amenities paid is not provided, the rent allowed will be limited to \$20 per day (not to exceed \$7,300).

**Line 10** - Enter the amount of rent you paid in 2003. Signed rent receipts must be attached.

**Line 11** - Multiply line 10 by 15% (.15). Enter the result here and on line 12.

## Part IV-Homeowners and Renters

If you own your home and rent the land or rent your home and own the land enter 2003 taxes billed on line 9. Enter your rent paid on line 10. Add lines 9 and 11 and enter total on line 12.

**Line 13** - Enter your household income from line 8.

**Line 14** - From the table below enter your multiplier based on your household income from line 13.

**Line 15** - Multiply line 13 by line 14 and enter the result.

**Line 16** - Subtract line 15 from line 12. (Number entered cannot be less than zero)

**Line 17** - First, enter the amount from line 16 or \$1,000, whichever is smaller. Then follow instructions as applicable to income shown on line 6.

**Line 18** - Enter the applicable percentage from the table. If total income from line 6 is between \$35,000 and \$45,000, the Elderly Homeowner/Renter Refund/Credit must be prorated. If line 6 income is more than \$45,000, no credit is allowed.

**Line 19** - This is the allowable Elderly Homeowner/Renter Refund/Credit. Mail this form (and tax return if required to file) to the address shown on the front of Form 2EC.

NEW  Direct Deposit

If you wish to use direct deposit, enter your RTN# and ACCT# in the appropriate spaces. The routing number must be nine digits. The account number can be up to 17 characters (both numbers and letters). If routing and accounting numbers are not correct, the direct deposit will be rejected and a check will be mailed to you instead.



## College Contribution Credit

15-30-163, MCA

Use this form when filing individual income tax or corporation license tax

Individual or business name as it appears on individual income tax Form 2 or corporation license tax Form CLT-4 \_\_\_\_\_

Social Security Number or Federal Employer Identification Number \_\_\_\_\_

### General Instructions

#### Who may claim this credit

An individual, corporation, partnership or small business corporation who makes charitable contributions during the year to any of the general endowment funds of the Montana University System or its foundations or to a general endowment fund of a private Montana college or its foundation.

Deductible contributions may also be claimed as an itemized deduction for individuals or a charitable contribution for corporation purposes.

Contributions made by a small business corporation or partnership qualify for the credit. The credit is attributed to the shareholders or partners using the same proportion used to report income or loss for Montana tax purposes.

The specialized college license plate amount can not be used as part of this credit.

### Definitions

“Foundation” means a nonprofit organization created exclusively for the benefit of any unit of the Montana University System, or a Montana private college and is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

“Montana private college” means a nonprofit private educational institution

- whose main campus and primary operations are within the state; and
- offers a baccalaureate degree level education and is accredited for that purpose by a national or regional accrediting agency recognized by the board of regents of higher education.

### Special Instructions

The credit may not exceed either the individual's or corporation's tax liability or \$500, whichever is less. Unused credit may not be carried back or carried forward and must be applied in the year the contribution is made.

Contribution(s) made to \_\_\_\_\_

1. Total amount of donation(s) .....\$ \_\_\_\_\_
2. Allowable credit - 10% of line 1. (Credit not to exceed \$500.) .....\$ \_\_\_\_\_
3. Enter amount from line 2 above on Form 2A, Schedule II or on Form CLT-4, Schedule C.
4. If amount on line 1 includes a contribution made by a small business corporation or partnership and is passed through to an individual, list business name, ID number and total amount contributed on back of this form.



## Alternative Energy Systems Credit

15-32-115 and 15-32-201, MCA

Instructions on back

Name \_\_\_\_\_ Social Security Number \_\_\_\_\_

Address of installation (if not the same as on Form 2) \_\_\_\_\_

### Geothermal Energy System

15-32-115, MCA

(For a system installed prior to January 1, 2002, see instructions  
for credit limitations and carryover provisions)

Date installation was completed in your home \_\_\_\_\_

Description of installation (brand and model) \_\_\_\_\_

1. Cost of system including installation ..... 1. \_\_\_\_\_

2. Amount of grants received ..... 2. \_\_\_\_\_

3. Subtract line 2 from line 1 ..... 3. \_\_\_\_\_

4. Enter the smaller of line 3 or \$1,500

Enter this amount on Form 2A, Schedule II (limited to your tax liability) ..... 4. \_\_\_\_\_

5. Total credit claimed in prior years ..... 5. \_\_\_\_\_

Excess credit may be carried forward seven years

### Alternative Energy System

(Using a Recognized Nonfossil Form of Energy Generation)

15-32-201(1), MCA

Date installation was completed in your home \_\_\_\_\_

Description of installation (wind, solar energy, etc) \_\_\_\_\_

6. Cost of system including installation ..... 6. \_\_\_\_\_

7. Amount of grants received ..... 7. \_\_\_\_\_

8. Subtract line 7 from line 6 ..... 8. \_\_\_\_\_

9. Enter the smaller of line 8 or \$500

Enter the amount on Form 2A, Schedule II (limited to your tax liability) ..... 9. \_\_\_\_\_

Excess credit may be carried forward four years

### Alternative Energy System

(Low Emission Wood or Biomass Combustion Device)

15-32-201(2), MCA

Date installation was completed in your home \_\_\_\_\_

Description of installation (type, brand and model) \_\_\_\_\_

10. Cost of system including installation ..... 10. \_\_\_\_\_

11. Enter the smaller of line 10 or \$500

Enter this amount on Form 2A, Schedule II (limited to your tax liability) ..... 11. \_\_\_\_\_

Excess credit may be carried forward four years

If you are claiming more than one alternative energy systems credit, enter the total of lines 4, 9 and 11  
on Form 2A, Schedule II (limited to your tax liability.)

Attach this form to your tax return. If you electronically file, keep this form  
for your records (do not send to the Department of Revenue).



# Energy Conservation Installations Credit

15-32-109, MCA  
Instructions on back

Name \_\_\_\_\_ Social Security Number \_\_\_\_\_

Address of installation (if not the same as on Form 2) \_\_\_\_\_

Was the installation made in the process of constructing a building? ☐ Yes ☐ No

If "yes" the cost of the capital investment is the cost expended for energy conservation purposes over and above the established standards for new construction.

## Enter your installation cost below.

Insulation	\$ _____
Windows	\$ _____
Doors	\$ _____
Other (Specify)	
_____	\$ _____
_____	\$ _____
Total (transfer to Line 1)	\$ _____

Heating Systems	\$ _____
Domestic Hot Water	
Heating Systems	\$ _____
Cooling Systems	\$ _____
Total (transfer to line 4)	\$ _____

1. Amount invested in the physical attributes of a building ..... 1. \_\_\_\_\_
  2. Enter 25% (.25) of line 1 ..... 2. \_\_\_\_\_
  3. Enter the amount of line 2 or \$500, whichever is smaller ..... 3. \_\_\_\_\_
  
  4. Amount invested in a water, heating or cooling system ..... 4. \_\_\_\_\_
  5. Enter 25% (.25) of line 4 ..... 5. \_\_\_\_\_
  6. Enter the amount of line 5 or \$500, whichever is smaller ..... 6. \_\_\_\_\_
  
  7. Total of lines 3 and 6, but not more than \$500 ..... 7. \_\_\_\_\_
  8. Enter the smaller of Line 7 or your tax liability (Form 2, line 43) ..... 8. \_\_\_\_\_
- Enter this amount on Form 2A, Schedule II.

Attach this form to your tax return. If you electronically file, keep this form  
for your records (do not send to the Department of Revenue).



# Underpayment of Estimated Tax by Individuals and Fiduciaries

15-30-241, MCA

MONTANA  
EST-P  
Rev. 8-03

Name \_\_\_\_\_ SSN \_\_\_\_\_

Spouse's name \_\_\_\_\_ SSN \_\_\_\_\_

## Part I Required Annual Payment — All filers must complete this part

1. Enter 2003 tax from line 54 of Form 2 or line 31 of Form 2S or line 43 of Form FID-3 (enter total liability of both spouses if married filing separate on the same form.) ..... 1. \_\_\_\_\_
2. Multiply line 1 by 90% (.90). ..... 2. \_\_\_\_\_
3. Enter Montana tax withheld and/or the Elderly Homeowner/Renter credit for 2003. .... 3. \_\_\_\_\_
4. Subtract line 3 from line 1. If less than \$500, stop here. .... 4. \_\_\_\_\_
5. Enter 2002 tax (Line 54 of Form 2 or line 31 of Form 2S or line 43 of Form FID-3). .... 5. \_\_\_\_\_
6. Required annual payment. Enter the smaller of line 2 or line 5. If line 3 is equal to or more than line 6, stop here. No penalty is due. .... 6. \_\_\_\_\_

## Part II Short Method — Use this method if you did not make estimated tax payments or if you made estimated tax payments on the due dates and in four equal amounts. Otherwise, use the regular method (Part III).

7. Enter the amount, if any, from line 3 above. .... 7. \_\_\_\_\_
8. Enter the total amount, if any, of estimated tax payments made including amounts credited from prior years. .... 8. \_\_\_\_\_
9. Add lines 7 and 8. .... 9. \_\_\_\_\_
10. Total underpayment for year. Subtract line 9 from line 6. If the result is zero or less, stop here. .... 10. \_\_\_\_\_
- You do not owe underpayment interest penalty.
11. Multiply line 10 by .07980 and enter the result. .... 11. \_\_\_\_\_
12. If the amount on line 10 was paid on or after 4/15/2004, enter zero.  
If the amount on line 10 was paid before 4/15/2004, multiply  
amount on line 10 by number of days paid before 4/15/2004 x .0003288. .... 12. \_\_\_\_\_
13. **Underpayment interest penalty.** Subtract line 12 from line 11. Enter the results here and  
on line 66 of Form 2 or line 37 of Form 2S or on line 51 of Form FID-3. .... **Total Due:** 13. \_\_\_\_\_

## Part III Regular Method — Use this method if you made payments of unequal amounts. The due dates shown are for calendar year taxpayers. Adjust these dates accordingly for fiscal year returns.

Complete lines 14 through 17 in each column before going to line 18.

14. Divide line 6 by four (4) and enter the result in each column. .... 14. \_\_\_\_\_
15. Enter amount of estimated tax paid on each date. .... 15. \_\_\_\_\_
16. Enter one-fourth of the amount on line 3 in each column. . 16. \_\_\_\_\_
17. Add lines 15 and 16. This is your total payment. .... 17. \_\_\_\_\_

A	B	C	D
4/15/03	6/15/03	9/15/03	1/15/04

Complete lines 18 through 27 of one column before going to the next column

18. Enter amount, if any, from line 25 of previous column. .... 18. \_\_\_\_\_
19. Add lines 17 and 18. .... 19. \_\_\_\_\_
20. Enter amount on line 24 of the previous column. .... 20. \_\_\_\_\_
21. Subtract line 20 from line 19. If zero or less, enter zero. For column A only, enter the amount from line 17. .... 21. \_\_\_\_\_
22. If the amount on line 21 is zero, subtract line 19 from line 20. Otherwise, enter zero. .... 22. \_\_\_\_\_
23. **Underpayment.** If line 14 is equal to or greater than line 21, subtract line 21 from line 14. Then go to line 24. Otherwise, go to line 25. .... 23. \_\_\_\_\_
24. Add lines 22 and 23. Enter here, then go to line 27. .... 24. \_\_\_\_\_
25. **Overpayment.** If line 21 is more than line 14, subtract line 14 from line 21. Then go to line 18 of next column. .... 25. \_\_\_\_\_
26. Number of days until next estimated payment date. .... 26. \_\_\_\_\_
27. Interest: days from line 26 by 12 by amount on line 24 divided by 365. .... 27. \_\_\_\_\_

61	92	122	90

28. **Underpayment Interest Penalty.** Add the amounts on line 27 of each column.

Enter total here and on line 66 of Form 2, line 37 of Form 2S, or line 51 of Form FID-3. .... 28. \$ \_\_\_\_\_

Part IV Annualized Income Installment Method Worksheet — Complete lines 29 through 53 only if computing installments using annualized income installment method.

Complete each column beginning with Column A through line 53 before completing the next column.

	A	B	C	D
	1/1/03 to 3/31/03	1/1/03 to 5/31/03	1/1/03 to 8/31/03	1/1/03 to 12/31/03
29. Montana adjusted gross income for the period. .... 29.				
30. Annualization amounts. .... 30.	4	2.4	1.5	1
31. Annualized income. Multiply line 29 by line 30. .... 31.				
32. *Enter your itemized deductions for the period shown. .... 32.				
33. Annualization amounts. .... 33.	4	2.4	1.5	1
34. Multiply line 32 by line 33. .... 34.				
35. **Enter the full amount of your standard deduction. .... 35.				
36. Enter the larger of line 34 or line 35. .... 36.				
37. Subtract line 36 from line 31. .... 37.				
38. Multiply \$1,780 by number of exemptions. .... 38.				
39. Subtract line 38 from line 37. .... 39.				
40. Figure the tax on the amount on line 39 using the tax table below. .... 40.				
41. Tax on lump sum distributions. .... 41.				
42. Add lines 40 and 41. .... 42.				
43. Enter tax credits for each period. .... 43.				
44. Subtract line 43 from line 42. .... 44.				
45. Applicable percentage. .... 45.	22.5%	45%	67.5%	90%
46. Multiply line 44 by line 45. .... 46.				
47. Add the amounts in all preceding columns of line 53. .... 47.	-0-			
48. Subtract line 47 from line 46. If less than zero enter zero. .... 48.				
49. Divide line 6, Part I of this form, by four (4) and enter the result in each column. .... 49.				
50. Enter the amount from line 52 of the preceding column of this worksheet. .... 50.				
51. Add lines 49 and 50 in each column and enter the result. .... 51.				
52. If line 51 is more than line 47, subtract line 48 from line 51. Otherwise, enter zero. .... 52.				
53. Enter the smaller of line 48 or line 51 here and on line 14 of Part III. .... 53.				

\*If you do not itemize deductions, enter zero.

\*\* The standard deduction is 20% (.20) of line 31, subject to the following limitations:

Single or separate: No less than \$1,480; no more than \$3,330

Married or head of household: No less than \$2,960; no more than \$6,660

**Tax Table**

If Taxable Income is:				If Taxable Income is:			
Over	But not over	Multiply by	and Subtract = Tax	Over	But not over	Multiply by	and Subtract = Tax
\$ 0	\$ 2,200	X ... 2 %	\$ 0	\$17,800	\$22,200	X ... 7 %	\$ 466
\$ 2,200	\$ 4,400	X ... 3 %	\$ 22	\$22,200	\$31,100	X ... 8 %	\$ 688
\$ 4,400	\$ 8,900	X ... 4 %	\$ 66	\$31,100	\$44,500	X ... 9 %	\$ 999
\$ 8,900	\$13,300	X ... 5 %	\$155	\$44,500	\$77,800	X ...10 %	\$1,444
\$13,300	\$17,800	X ... 6 %	\$288	\$77,800		X ...11 %	\$2,222

Example = taxable income \$2,400 x 3% (.03) = \$72 subtract \$22 = \$50 tax

Questions? Please call (406) 444-6900 or TDD (406) 444-2830 for hearing impaired. ☎

**Attach this form to your tax return. If you electronically file, keep this form for your records (do not send to the Department of Revenue).**



# 2003 Individual Income Tax Worksheet

## Worksheet VIII - Taxable Social Security

The portion of your social security benefits taxable to Montana may be different than what is taxable to federal. Complete Worksheet VIII, Form W to determine your Montana taxable social security.

None of your social security benefits are taxable to Montana if the only benefits you receive are from the Railroad Retirement Board. If you only received an RRB-1099 and have federal taxable social security reported on line 15b, exclude 100% of this amount of line 35.

Filing Status Check one	1. Single <input type="checkbox"/>	<input checked="" type="checkbox"/> Married filing joint return	<input type="checkbox"/> Married and both filing separate returns on this form	<input type="checkbox"/> Married and both filing separate returns on separate forms	<input type="checkbox"/> Married filing 5. separate return and spouse is not filing	<input type="checkbox"/> Head of Household
<div>1. Enter the total amount from box 5 of all your SSA-1099 forms. Do not include amounts from Form RRB-1099 ..... 1.</div> <div>2. Enter one-half of line 1 ..... 2.</div> <div>3. Enter the total of the amounts from Form 2 lines 6 through 12, 13b, 14b, 16, and 17 ..... 3.</div> <div>4. Enter the amount, if any, from Form 2 lines 21 and 22, along with tax exempt interest reported on Federal Form 1040, line 8b not included of Form 2 line 21 ..... 4.</div> <div>5. Add lines 2, 3, and 4 ..... 5.</div> <div>6. Enter the total of the amounts from Form 2 lines 19 (excluding student loan interest and tuition and fees), 27, 29, 30 and the state refund, capital gains exclusion and tip deduction reported on line 35 ..... 6.</div> <div>7. Is the amount on line 6 <b>less than</b> the amount on line 5? <input type="checkbox"/> <b>No</b> Stop here. None of your social security benefits are taxable. <input type="checkbox"/> <b>Yes</b> Subtract line 6 from line 5 ..... 7.</div> <div>8. Enter: \$32,000 in Column A if you checked Box 2. \$25,000 in Column A if you checked Box 1 or Box 6. } \$16,000 in Column A and B if you checked Box 3, 4, or 5. } ..... 8.</div> <div>9. Is the amount on line 8 <b>less than</b> the amount on line 7? <input type="checkbox"/> <b>No</b> Stop here. None of your social security benefits are taxable. <input type="checkbox"/> <b>Yes</b> Subtract line 8 from line 7 ..... 9.</div> <div>10. Enter: \$12,000 in Column A if you checked Box 2. } \$ 9,000 in Column A if you checked Box 1 or Box 6 } \$ 6,000 in Column A and B if you checked Box 3, 4, or 5. } ..... 10.</div> <div>11. Subtract line 10 from line 9, if zero or less, enter zero ..... 11.</div> <div>12. Enter the <b>smaller</b> of line 9 or line 10 ..... 12.</div> <div>13. Enter one-half of line 12 ..... 13.</div> <div>14. Enter the <b>smaller</b> of line 2 or line 13 ..... 14.</div> <div>15. Multiply line 11 by 85% (.85). If line 11 is zero, enter zero ..... 15.</div> <div>16. Add lines 14 and 15 ..... 16.</div> <div>17. Multiply line 1 by 85% (.85) ..... 17.</div> <div>18. Taxable social security benefits. Enter the <b>smaller</b> of line 16 or line 17. .... 18.</div> <div>19. Enter the amount of social security taxable on your federal return. .... 19.</div> <div>20. a. If line 19 is greater than line 18, enter the difference here and on line 35 of Form 2 ..... 20a. b. If line 19 is less than line 18, enter the difference here and on line 23 of Form 2 ..... 20b. If line 19 equals line 18, no adjustment is necessary.</div>						

**Attach this form to your tax return. If you electronically file, keep this form  
for your records (do not send to the Department of Revenue).**



## Alternative Fuel Credit

15-30-164, MCA

Name \_\_\_\_\_ Social Security Number \_\_\_\_\_  
FEIN \_\_\_\_\_

A credit is allowed to an individual, corporation, partnership, or small business corporation for equipment and labor costs incurred during the tax year to convert a motor vehicle licensed in Montana to operate on alternative fuel.

Alternative fuels are defined as natural gas, liquefied petroleum gas, liquefied natural gas, hydrogen, electricity or any other fuel if at least 85% (.85) of the fuel is methanol, ethanol or other alcohol, ether, or any combination of these.

This credit cannot exceed the taxpayer's income tax liability and it cannot be carried back or carried forward. Alternative fuel credits earned by partnerships and small business corporations must be allocated to the partners or shareholders using the same proportion used to allocate income or loss from the partnership or small business corporation.

Complete this form to calculate your credit. You must complete a separate form for each vehicle converted.

Year and make of vehicle \_\_\_\_\_

Date conversion completed \_\_\_\_\_

Gross vehicle weight \_\_\_\_\_

Alternative fuel type \_\_\_\_\_

1. Cost of conversion ..... 1. \_\_\_\_\_

2. Enter 50% (.50) of line 1 ..... 2. \_\_\_\_\_

3. If gross vehicle weight is 10,000 pounds or less, enter \$500;  
If gross vehicle weight is more than 10,000 pounds, enter \$1,000 ..... 3. \_\_\_\_\_

4. Enter the smaller of line 2 or line 3. This is your allowable credit for this vehicle ..... 4. \_\_\_\_\_

5. Add the amounts on line 4 from each AF CR Form.  
This is your allowable credit. Enter this amount on Form 2A, Schedule II for individuals  
or Form CLT-4, Schedule C for corporations ..... 5. \_\_\_\_\_

Questions? Please call (406) 444-6900 or TDD (406) 444-2830 for hearing impaired. ☎

**Attach this form to your tax return. If you electronically file, keep this form  
for your records (do not send to the Department of Revenue).**



# Dependent Care Assistance Credit

Instructions on back

Name \_\_\_\_\_ SSN or FEIN \_\_\_\_\_

You may be entitled to all three credits.

## Day Care Facilities Credit

(15-30-130 and 15-31-133, MCA)

1. Enter number of dependents facility is designed to accommodate. .... 1. \_\_\_\_\_
2. Take \$2,500 times the amount on line 1. .... 2. \_\_\_\_\_
3. Enter cost of acquisition, construction, reconstruction, renovation or other improvements (see instructions for determining cost). .... 3. \_\_\_\_\_
4. Enter 15% (.15) of line 3. .... 4. \_\_\_\_\_
5. Enter the lesser of line 2, line 4 or \$50,000. .... 5. \_\_\_\_\_
6. Divide line 5 by ten (you are entitled to only 1/10<sup>th</sup> of the credit yearly). .... 6. \_\_\_\_\_
7. Enter carryforward amounts (excess annual credit over tax liability). .... 7. \_\_\_\_\_
8. Add line 6 and line 7. .... 8. \_\_\_\_\_

You must attach supporting documentation showing that the person operating the day care facility on the last day of your tax year is licensed or registered to operate the facility. Without this documentation the credit is denied.

## Dependent Care Assistance Credit

(15-30-186 and 15-31-131, MCA)

9. Enter total amount of dependent care assistance you furnished your employees. .... 9. \_\_\_\_\_
10. Enter total number of employees who were furnished this service. .... 10. \_\_\_\_\_
11. Divide line 9 by line 10; enter that amount or \$6,300, whichever is smaller. .... 11. \_\_\_\_\_
12. Multiply line 11 by 25% (.25); enter that amount or \$1,575, whichever is smaller. .... 12. \_\_\_\_\_
13. Multiply the amount on line 12 by the amount on line 10. This is your Dependent Care Assistance Credit. .... 13. \_\_\_\_\_

Any excess Dependent Care Assistance Credit not used the first year may be carried forward for five years. It may not be carried back.

## Dependent Care Information and Referral Service Credit

(15-30-186 and 15-31-131, MCA)

14. Amount paid or incurred during the year for providing information and referral services to employees. .... 14. \_\_\_\_\_
15. Multiply line 14 by 25% (.25). This is your Dependent Care Referral Service Credit. .... 15. \_\_\_\_\_

## Combined Credits

16. Add line 8, line 13 and line 15; enter total on line 16. This is your combined Dependent Care Assistance Credit. .... 16. \_\_\_\_\_

For individual income tax, enter this amount on Form 2A, Schedule II. For corporation license tax, enter this amount on Form CLT4, Schedule C. Credit can not be larger than your tax liability.

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## Disability Income Exclusion Calculation

15-30-111, MCA  
Instructions on back

### Excludable Disability Pay

**Column A** (For single,  
joint, separate or  
head of household)

**Column B** (For spouse  
only when filing separate)

- |    |  |       |       |
|----|--|-------|-------|
| 1. | <u>Enter the smaller of</u>  |       |       |
|    | ➤ amount received per week times number of weeks received  |       |       |
|    | or   |       |       |
|    | ➤ \$100 times the number of weeks you received disability payments (maximum \$5,200)   | _____ | _____ |
| 2. | For payments received for a portion of a week, enter the smaller of the amount received or \$20 times the number of work days you received payments. | _____ | _____ |
| 3. | Add lines 1 and 2.   | _____ | _____ |
| 4. | Add amounts on line 3, columns A and B.  |       | _____ |

### Limitation on Exclusion

- |    |   |       |               |
|----|---|-------|---------------|
| 5. | Enter Montana adjusted gross income (without exclusion).  | _____ | _____         |
| 6. | Add line 5, columns A and B.  |       | _____         |
| 7. | Amount to calculate exclusion.  |       | <u>15,000</u> |
| 8. | Subtract line 7 from line 6 (not less than zero)  |       | _____         |
| 9. | Subtract line 8 from line 4 (not less than zero)<br>This is your disability income exclusion.<br>Enter this amount on the other reductions line on Form 2 or Form 2S. |       | _____         |

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# Elderly Care Credit

15-30-128, MCA  
Instructions on back

**MONTANA**  
**ECC**  
Rev. 8-03

Name as shown on Montana Form 2

Social Security Number

Name of elderly family member

Social Security Number

Address of elderly family member

City

State

Zip+4

## Part I - Eligibility

If the answer to any of the questions below is no, you are not eligible for the credit. Do not complete this form.

Yes

No

Is the elderly person related to you by blood or by marriage?

Is the elderly person at least 65 years old or has been determined disabled for Social Security purposes?

Does the elderly person have gross income of \$15,000 or less? In the case of married individuals, is their combined gross income \$30,000 or less? See instructions

Is your Montana adjusted gross income from Form 2 less than \$55,000 if you are filing joint or single? If you are filing married separate, is your Montana adjusted gross income less than \$27,500?

## Part II - Computation of Allowable Credit

1. Enter amount of qualified elderly care expenses paid during the tax year.  
(see instructions on the back of this form) 1. \_\_\_\_\_
2. Enter your Montana adjusted gross income from Form 2. 2. \_\_\_\_\_
3. Enter the multiplier figure for your current filing status from table on reverse side. 3. \_\_\_\_\_
4. Multiply line 1 times line 3. Enter result. 4. \_\_\_\_\_
5. Reduction based on your income. Enter \$50,000 if single or married filing joint. Enter \$25,000 if married filing separate. 5. \_\_\_\_\_
6. Subtract line 5 from line 2. Enter result. If line 2 is less than line 5, enter zero. 6. \_\_\_\_\_
7. Subtract line 6 from line 4. Enter result. (If zero or less, you are not eligible for the credit) 7. \_\_\_\_\_
8. If single or filing joint, enter the smaller of \$5,000 or the amount on line 7. If you are married and filing separate, enter the smaller of \$2,500 or the amount on line 7. This is your allowable credit. Enter this figure on Form 2A, Schedule II. 8. \_\_\_\_\_

Individuals who are married filing separate must file a separate schedule for each spouse.  
No carryback or carryforward of the credit is allowed.

☐ Check box if another family member is also claiming the credit. (Please provide names on an attached sheet)



# Child and Dependent Care Expense Deduction

Year \_\_\_\_\_  
15-30-121, MCA

Last Name	First Name and Middle Initial	Social Security No.
Spouse's Last Name if Different	Spouse's First Name and Middle Initial	Spouse's Social Security No.

1. Number of qualifying persons cared for (see specific instructions below) ..... 1. \_\_\_\_\_
2. Enter actual amount paid during year not to exceed limitations below ..... 2. \_\_\_\_\_  
Limitation: Not more than  
\$2,400 for one person  
\$3,600 for two persons  
\$4,800 for three or more persons
3. Add amounts in columns A & B from Montana adjusted gross income, Form 2, Page 2 ..... 3. \_\_\_\_\_  
A) If line 3 is less than \$18,000, **stop here.**  
Enter amount from line 2 above on the Child and Dependent Care, Form 2A, Schedule I.  
Married couples filing separate on same form enter one-half of line 2 in each column.  
OR  
B) If line 3 is over \$18,000 continue below
4. Base wage amount ..... 4. **18,000**
5. Subtract line 4 from line 3 ..... 5 \_\_\_\_\_
6. Multiply line 5 by .50 ..... 6 \_\_\_\_\_
7. Subtract line 6 from line 2 (if zero or less, no deduction is allowed) ..... 7. \_\_\_\_\_  
  
Enter amount from line 7 on the Child and dependent care expense line, Form 2A, Schedule I.  
Married couples filing separate on same form enter one-half of line 7 in each column.

## General Instructions

### Who May Claim This Deduction

You may be eligible to take this deduction if you maintain a household which includes, as a member, one or more qualifying individuals.

You will be treated as maintaining a household for any year only if you furnish over half the cost of maintaining the household for that year. If you are married for a year, you and your spouse must provide over half the maintenance cost for that year.

The expenses of maintaining a household include property taxes, mortgage interest, rent, utility charges, upkeep and repairs, property insurance and food consumed on the premises. Expenses do not include the cost of clothing, education, medical treatment, vacations, life insurance or transportation.

### Special Rules

Married couples may take the deduction when filing separately on the same form. The deduction must be divided equally between the spouses. You may not claim the deduction if you are married filing separately on separate forms (filing status 4 or 5).

Gainful employment requirement:

If you are married for any period during the taxable year, take into account employment-related expenses incurred during any month of that year only if:

- both you and your spouse are gainfully employed on a substantially full-time or part-time basis, or actually seeking gainful employment, or
- your spouse is physically or mentally incapable of self-care.

Self-employment is considered gainful employment for the purpose of this deduction.

### Child Care Deduction vs. Medical Expenses Deduction

If an expense qualifies as both employment-related and medical, you may treat it either way, as long as you do not deduct it twice.

If you treat the expense as medical, then the part of it that is not deductible because of the 7½% medical deduction limitation cannot be used as part of your employment-related expenses.

### Specific Instructions

A qualifying person must be:

- a dependent under age 15 for whom an exemption may be claimed, or
- a dependent who, regardless of age, is unable to care for himself or herself because of a physical or mental illness, or
- a spouse who is unable to care for himself or herself because of a physical or mental illness.

Note: If you are a licensed and registered day-care provider who operates a family day-care home or a group day-care home and care for your own child and at least one unrelated child you may qualify for this deduction. The amount of expense claimed on line 2 above and considered to have been paid by you is equal to the amount you charge for the care of an unrelated child of the same age for the same number of hours of care. The expenses apply regardless of whether any expenses actually have been paid.

Questions? Please call the Department of Revenue at (406) 444-6900 or

TDD (406) 444-2830 (for hearing impaired only). ☎

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# Recycle Credit/Deduction

Instructions on back

15-32-602 and 15-32-610, MCA

**MONTANA**  
RCYL  
Rev. 8-03

Name \_\_\_\_\_  
(as shown on Montana individual income tax, Form 2 or Montana corporation license tax, Form CLT-4)

Business name (if different from above) \_\_\_\_\_

Social Security Number or Federal Employer Identification Number \_\_\_\_\_

Check one ☐ C. corporation ☐ S corporation ☐ Partnership ☐ Sole proprietorship

## Part I

1. Was the qualifying machinery/equipment purchased on or after the first day of the current taxable year and before the last date of the current taxable year? ..... ☐ Yes ☐ No

If you answer "no" to question 1, stop here. You do not qualify.

2. Is the machinery/equipment used in Montana primarily for collections or processing reclaimed material? ..... ☐ Yes ☐ No

3. Is the machinery/equipment used in Montana primarily for the manufacturing of finished products from reclaimed materials? ..... ☐ Yes ☐ No

4. Is the machinery/equipment used to treat soils contaminated by hazardous wastes? ..... ☐ Yes ☐ No

5. Was the machinery/equipment located and operating in Montana on the last day of the taxable year for which the credit is claimed? ..... ☐ Yes ☐ No

If you answer "no" to questions 2, 3, and 4 or "no" to question 5, do not complete this form. You do not qualify for the credit.

## Part II - For equipment used in Montana

6. Type and purpose of equipment \_\_\_\_\_

7. Date of purchase \_\_\_\_\_ (Please provide copy of sales receipt)

8. Cost of equipment (the total cost of equipment in Part II and Part III may not exceed \$11,000,000) ..... \$ \_\_\_\_\_

9. Computation of Credit (multiply the cost of the equipment by the following percentages):

Multiply the first \$250,000 by 25% (.25) ..... \_\_\_\_\_

Multiply the next \$250,000 by 15% (.15) ..... \_\_\_\_\_

Multiply the next \$500,000 by 5% (.05) ..... \_\_\_\_\_

Total Credit ..... \$ \_\_\_\_\_

## Part III - For qualifying specialized mobile equipment used in and out of Montana

10. Type and purpose of equipment \_\_\_\_\_

11. Date of Purchase \_\_\_\_\_ (please provide copy of sales receipt)

12. Cost of Equipment (the total cost of equipment in Part II and Part III may not exceed \$1,000,000) ..... \$ \_\_\_\_\_

13. Number of days used in Montana ..... \_\_\_\_\_

14. Total days used for the year ..... \_\_\_\_\_

15. Divide amount on line 13 by amount on Line 14. .... \_\_\_\_\_

16. Computation of credit:

Multiply the ratio on line 15 by 25% (.25) then multiply the first \$250,000 of line 12 ..... \_\_\_\_\_

Multiply the ratio on line 15 by 15% (.15) then multiply the next \$250,000 of line 12 ..... \_\_\_\_\_

Multiply the ratio on line 15 by 5% (.05) then multiply the next \$500,000 of line 12 ..... \_\_\_\_\_

Total Credit ..... \$ \_\_\_\_\_

**17. Total Credit Available** (Amount from line 9 and/or line 16)

Enter this amount on Schedule II, Form 2A, for individuals or Schedule C, Form CLT-4 for corporations ..... \$ \_\_\_\_\_

Amount of credit may not exceed tax liability

## Part IV - Deduction for purchase of recycled material

18. Type of recycled material purchased \_\_\_\_\_

19. Cost of recycled material ..... \$ \_\_\_\_\_

20. Multiply the amount on line 19 by 10% (.10) and enter the result here. This is the amount of your additional deduction.

Enter on line 35, Form 2, for individuals and line 7 Form CLT-4 for C-corporations ..... \$ \_\_\_\_\_

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